

**Revised Statutes of 1846 (EXCERPT)**  
**CHAPTER 1. OF THE STATUTES.**

**8.3i “Land,” “real estate,” and “real property” defined.**

Sec. 3i. The words “land”, “lands”, “real estate” and “real property” mean lands, tenements and real estate, and all rights thereto and interests therein.

**History:** Add. 1959, Act 189, Imd. Eff. July 22, 1959.

**MICHIGAN MILITARY ACT (EXCERPT)**  
**Act 150 of 1967**

**32.772 Title to real property.**

Sec. 372. The state military board may take title to real property to be used for military purposes in the name of the state.

**History:** 1967, Act 150, Imd. Eff. June 30, 1967.

**PERSONS WITH DISABILITIES CIVIL RIGHTS ACT (EXCERPT)**  
**Act 220 of 1976**

**37.1501 Definitions.**

Sec. 501. As used in this article:

(a) “Housing accommodation” includes improved or unimproved real property, or a part thereof, which is used or occupied, or is intended, arranged, or designed to be used or occupied, as the home or residence of 1 or more persons.

(b) “Immediate family” means a spouse, parent, child, or sibling.

(c) “Real estate broker or salesman” means a person, whether licensed or not, who, for or with the expectation of receiving a consideration, lists, sells, purchases, exchanges, rents, or leases real property, or who negotiates or attempts to negotiate any of these activities, or who holds himself out as engaged in these activities, or who negotiates or attempts to negotiate a loan secured or to be secured by a mortgage or other encumbrance upon real property, or who is engaged in the business of listing real property in a publication; or a person employed by or acting on behalf of any of these persons.

(d) “Real estate transaction” means the sale, exchange, rental, or lease of real property, or an interest therein.

(e) “Real property” includes a building, structure, mobile home, real estate, land, mobile home park, trailer park, tenement, leasehold, or an interest in a real estate cooperative or condominium.

**History:** 1976, Act 220, Eff. Mar. 31, 1977.

**PERSONS WITH DISABILITIES CIVIL RIGHTS ACT (EXCERPT)**  
**Act 220 of 1976**

**37.1502 Owners, persons engaging in real estate transactions, real estate brokers, and real estate salesmen; prohibited conduct.**

Sec. 502. (1) An owner or any other person engaging in a real estate transaction, or a real estate broker or salesman shall not, on the basis of a disability of a buyer or renter, of a person residing in or intending to reside in a dwelling after it is sold, rented, or made available, or of any person associated with that buyer or renter, that is unrelated to the individual's ability to acquire, rent, or maintain property or use by an individual of adaptive devices or aids:

(a) Refuse to engage in a real estate transaction with a person.

(b) Discriminate against a person in the terms, conditions, or privileges of a real estate transaction or in the furnishing of facilities or services in connection with a real estate transaction.

(c) Refuse to receive or fail to transmit a bona fide offer to engage in a real estate transaction from a person.

(d) Refuse to negotiate for a real estate transaction with a person.

(e) Represent to a person that real property is not available for inspection, sale, rental, or lease when in fact it is available, fail to bring a property listing to a person's attention, refuse to permit a person to inspect real property, or otherwise deny or make real property unavailable to a person.

(f) Make, print, circulate, post, or mail or cause to be made or published a statement, advertisement, or sign, or use a form of application for a real estate transaction, or make a record of inquiry in connection with a prospective real estate transaction, which indicates, directly or indirectly, an intent to make a limitation, specification, or discrimination with respect to a real estate transaction.

(g) Offer, solicit, accept, use, or retain a listing of real property with the understanding that a person may be discriminated against in a real estate transaction or in the furnishing of facilities or services in connection with a real estate transaction.

(h) Discriminate against a person in the brokering or appraising of real property.

(2) A person shall not deny a person access to or membership or participation in a multiple listing service, real estate brokers' organization or other service, organization, or facility relating to the business of selling or renting real property, or discriminate against a person in the terms or conditions of that access, membership, or participation.

**History:** 1976, Act 220, Eff. Mar. 31, 1977;—Am. 1992, Act 123, Imd. Eff. June 29, 1992;—Am. 1998, Act 20, Imd. Eff. Mar. 12, 1998.

## **PERSONS WITH DISABILITIES CIVIL RIGHTS ACT (EXCERPT)**

### **Act 220 of 1976**

#### **37.1506a Real estate transaction; prohibited conduct; “covered multifamily dwellings” defined.**

Sec. 506a. (1) A person shall not do any of the following in connection with a real estate transaction:

(a) Refuse to permit, at the expense of the person with a disability, reasonable modifications of existing premises occupied or to be occupied by the person with a disability if those modifications may be necessary to afford the person with a disability full enjoyment of the premises. In the case of a rental, the landlord may, if reasonable, make permission for a modification contingent on the renter's agreement to restore the interior of the premises to the condition that existed before the modification, reasonable wear and tear excepted.

(b) Refuse to make reasonable accommodations in rules, policies, practices, or services, when the accommodations may be necessary to afford the person with a disability equal opportunity to use and enjoy residential real property.

(c) In connection with the design and construction of covered multifamily dwellings for first occupancy after March 13, 1991, fail to include all of the following features:

(i) The dwellings have at least 1 building entrance on an accessible route, unless that is impractical because of the terrain or unusual characteristics of the site.

(ii) The public and common use portions of the dwellings are readily accessible to and usable by persons with disabilities.

(iii) All the doors designed to allow passage into and within all premises within the dwellings are sufficiently wide to allow passage by persons with disabilities in wheelchairs.

(iv) All premises within covered multifamily dwellings contain an accessible route into and through the dwelling; light switches, electrical outlets, thermostats, and other environmental controls in accessible locations; reinforcements in bathroom walls to allow later installation of grab bars; and kitchens and bathrooms designed so that an individual in a wheelchair can maneuver about the space.

(2) As used in this section, “covered multifamily dwellings” means buildings consisting of 4 or more units if the buildings have 1 or more elevators, and ground floor units in other buildings consisting of 4 or more units.

**History:** Add. 1992, Act 123, Imd. Eff. June 29, 1992;—Am. 1998, Act 20, Imd. Eff. Mar. 12, 1998.

## **ELLIOTT-LARSEN CIVIL RIGHTS ACT (EXCERPT)**

### **Act 453 of 1976**

#### **37.2501 Definitions.**

Sec. 501. As used in this article:

(a) “Real property” includes a building, structure, mobile home, real estate, land, mobile home park, trailer park, tenement, leasehold, or an interest in a real estate cooperative or condominium.

(b) “Real estate transaction” means the sale, exchange, rental, or lease of real property, or an interest therein.

(c) “Housing accommodation” includes improved or unimproved real property, or a part thereof, which is used or occupied, or is intended, arranged, or designed to be used or occupied, as the home or residence of 1 or more persons.

(d) “Real estate broker or salesman” means a person, whether licensed or not, who, for or with the expectation of receiving a consideration, lists, sells, purchases, exchanges, rents, or leases real property; who negotiates or attempts to negotiate any of those activities; who holds himself out as engaged in those activities; who negotiates or attempts to negotiate a loan secured or to be secured by a mortgage or other encumbrance upon real property; who is engaged in the business of listing real property in a publication; or a person employed by or acting on behalf of a real estate broker or salesman.

**History:** 1976, Act 453, Eff. Mar. 31, 1977.

**ELLIOTT-LARSEN CIVIL RIGHTS ACT (EXCERPT)**  
**Act 453 of 1976**

**37.2502 Persons engaging in real estate transactions, real estate brokers, or real estate salesmen; prohibited practices; section subject to § 37.2503.**

Sec. 502. (1) A person engaging in a real estate transaction, or a real estate broker or salesman, shall not on the basis of religion, race, color, national origin, age, sex, familial status, or marital status of a person or a person residing with that person:

- (a) Refuse to engage in a real estate transaction with a person.
- (b) Discriminate against a person in the terms, conditions, or privileges of a real estate transaction or in the furnishing of facilities or services in connection with a real estate transaction.
- (c) Refuse to receive from a person or transmit to a person a bona fide offer to engage in a real estate transaction.
- (d) Refuse to negotiate for a real estate transaction with a person.
- (e) Represent to a person that real property is not available for inspection, sale, rental, or lease when in fact it is so available, or knowingly fail to bring a property listing to a person's attention, or refuse to permit a person to inspect real property, or otherwise make unavailable or deny real property to a person.
- (f) Make, print, circulate, post, mail, or otherwise cause to be made or published a statement, advertisement, notice, or sign, or use a form of application for a real estate transaction, or make a record of inquiry in connection with a prospective real estate transaction, which indicates, directly or indirectly, an intent to make a preference, limitation, specification, or discrimination with respect to the real estate transaction.
- (g) Offer, solicit, accept, use, or retain a listing of real property with the understanding that a person may be discriminated against in a real estate transaction or in the furnishing of facilities or services in connection therewith.
- (h) Discriminate against a person in the brokering or appraising of real property.

(2) A person shall not deny a person access to, or membership or participation in, a multiple listing service, real estate brokers' organization or other service, organization, or facility relating to the business of selling or renting real property or to discriminate against him or her in the terms or conditions of that access, membership, or participation because of religion, race, color, national origin, age, sex, familial status, or marital status.

(3) This section is subject to section 503.

**History:** 1976, Act 453, Eff. Mar. 31, 1977;—Am. 1992, Act 124, Imd. Eff. June 29, 1992.

**ELLIOTT-LARSEN CIVIL RIGHTS ACT (EXCERPT)**  
**Act 453 of 1976**

**37.2506 Real estate transactions; prohibited representations.**

Sec. 506. A person shall not represent, for the purpose of inducing a real estate transaction from which the person may benefit financially, that a change has occurred or will or may occur in the composition with respect to religion, race, color, national origin, age, sex, familial status, or marital status of the owners or occupants in the block, neighborhood, or area in which the real property is located, or represent that this change will or may result in the lowering of property values, an increase in criminal or antisocial behavior, or a decline in the quality of schools in the block, neighborhood, or area in which the real property is located.

**History:** 1976, Act 453, Eff. Mar. 31, 1977;—Am. 1992, Act 124, Imd. Eff. June 29, 1992.

**FENCES AND FENCE VIEWERS (EXCERPT)**  
**Act 34 of 1978**

**43.51 "Fence" defined.**

Sec. 1. As used in this act, "fence" means a structure or natural barrier which is sufficient to confine an animal as defined in section 1 of Act No. 328 of the Public Acts of 1976, being section 433.11 of the Michigan Compiled Laws.

**History:** 1978, Act 34, Eff. Oct. 1, 1978.

**FENCES AND FENCE VIEWERS (EXCERPT)**  
**Act 34 of 1978**

**43.53 Payment for construction and maintenance of fence; compensation for use of fence by adjoining property owner; constructing fence in lieu of compensation.**

Sec. 3. (1) The owner of real property who constructs a fence shall pay for the construction and maintenance of that fence.

(2) If an adjoining property owner or a tenant using the property of the adjoining property owner uses or begins to use the fence for purposes of restraining or containing animals the adjoining property owner or tenant shall compensate the owner of the real property who constructed the fence for the adjoining property owner's proportionate share of the current value of the fence as determined by the parties and based upon the adjoining property owner's use of the fence. In the alternative, the adjoining property owner may construct his own fence.

**History:** 1978, Act 34, Eff. Oct. 1, 1978.

#### **FENCES AND FENCE VIEWERS (EXCERPT)**

##### **Act 34 of 1978**

#### **43.54 Fence viewer; appointment; term; request and payment for services; advance notice; compensation.**

Sec. 4. (1) The township board in each township shall appoint not less than 1 resident of the township, who may be a township trustee, as a fence viewer. The person or persons appointed shall serve at the pleasure of the township board. The governing body of a city or village shall appoint a fence viewer only under section 6(2).

(2) A person may engage a fence viewer upon written request and upon the payment of \$25.00 to the township treasurer or to the city or village treasurer under section 6(2) for each day that the fence viewer's services are needed. The fence viewer shall notify in writing the person who made the request and the owner or owners of the property to be viewed not less than 5 days before the date on which the fence viewer will render his or her services. The fence viewer shall be compensated 80% of the amount received by the township treasurer or city or village treasurer under section 6(2) when the requested service has been performed.

**History:** 1978, Act 34, Eff. Oct. 1, 1978;—Am. 1998, Act 377, Imd. Eff. Oct. 21, 1998.

#### **FENCES AND FENCE VIEWERS (EXCERPT)**

##### **Act 34 of 1978**

#### **43.55 Fence viewer; duties; notice of decision; boundary disputes; appeal.**

Sec. 5. (1) If engaged under section 4(2), a fence viewer shall do 1 or more of the following:

(a) Determine if a property owner or tenant in possession of property is using a fence constructed or maintained by an adjoining property owner, and if so, what percentage of the cost of construction and maintenance of the fence the property owner or tenant using the fence is responsible for.

(b) Assess the amount of damage if an animal of a property owner or of a tenant in possession of property causes damage to an adjoining property owner's fence.

(2) Not more than 7 days after a fence viewer renders a decision under subsection (1), the fence viewer shall notify in writing the appropriate property owners or tenant of that decision.

(3) A fence viewer is not charged with the responsibility of settling boundary disputes or determining the location of a boundary. Boundary disputes shall be settled and boundaries determined pursuant to state law.

(4) A person may appeal the decision of a fence viewer to a court of competent jurisdiction.

**History:** 1978, Act 34, Eff. Oct. 1, 1978;—Am. 1998, Act 377, Imd. Eff. Oct. 21, 1998.

#### **FENCES AND FENCE VIEWERS (EXCERPT)**

##### **Act 34 of 1978**

#### **43.56 Settlement of boundary line disputes; selection of fence viewer.**

Sec. 6. (1) If a dispute arises with regard to a fence that is the boundary line between townships, or partly in 1 township and partly in another township, 1 fence viewer from each township may be selected to settle the dispute or 1 fence viewer may be selected by mutual agreement of each township.

(2) If a dispute arises with regard to a fence that is the boundary line between a township and a city or village, or partly in 1 township and partly in a city or village, 1 fence viewer from the township and 1 fence viewer from the city or village may be selected to settle the dispute or 1 fence viewer may be selected by mutual agreement of the township and the city or village.

**History:** 1978, Act 34, Eff. Oct. 1, 1978;—Am. 1998, Act 377, Imd. Eff. Oct. 21, 1998.

#### **FENCES AND FENCE VIEWERS (EXCERPT)**

##### **Act 34 of 1978**

**43.57 Constructing or maintaining fence; decision or agreement to divide costs binding on heirs and assigns of parties.**

Sec. 7. If there is a decision made for the division of costs of constructing or maintaining a fence by a fence viewer, or through mutual written agreement of the parties recorded in the office of the clerk of each township, city, and village or in the office of the county register of deeds where the land is located, the decision or agreement shall bind the heirs and assigns of the parties until terminated by mutual written agreement recorded in a similar manner or by a subsequent decision of a fence viewer based upon a change of circumstances.

**History:** 1978, Act 34, Eff. Oct. 1, 1978.

**FENCES AND FENCE VIEWERS (EXCERPT)**

**Act 34 of 1978**

**43.58 Payment of amount required under § 43.53 or § 43.55; time; amount as lien on property; report; spreading amount on assessment roll; collection; payment to property owner.**

Sec. 8. (1) The amount of the payment required by a property owner or tenant under section 3 or 5 shall be made on or before the first day of the next succeeding October. In the event of neglect or refusal to pay the sum due, the amount shall become a lien on the property. The fence viewer shall report to the supervisor of the township or to the assessing officer of a city or village not later than the first day of November. The supervisor or assessing officer shall then cause the amount to be spread upon the assessment roll, in a separate column for that purpose, opposite a description of the land owned by the property owner who refuses or neglects to pay the amount. The amount shall be collected in the same manner that other taxes are collected.

(2) The amount collected shall be paid to the property owner to which the amount is due within 30 days after the collection.

**History:** 1978, Act 34, Eff. Oct. 1, 1978.

**FENCES AND FENCE VIEWERS (EXCERPT)**

**Act 34 of 1978**

**43.59 Repeal of §§ 43.1 to 43.21.**

Sec. 9. Sections 1 to 21 of chapter 18 of the Revised Statutes of 1846, being sections 43.1 to 43.21 of the Compiled Laws of 1970, are repealed.

**History:** 1978, Act 34, Eff. Oct. 1, 1978.

**FENCES AND FENCE VIEWERS (EXCERPT)**

**Act 34 of 1978**

**43.60 Effective date.**

Sec. 10. This act shall take effect October 1, 1978.

**History:** 1978, Act 34, Eff. Oct. 1, 1978.

**HOUSING LAW OF MICHIGAN (EXCERPT)**

**Act 167 of 1917**

**125.534 Noncompliance with notice of violation; actions; parties; motion for temporary relief; service of complaint and summons; filing notice of pendency of action; orders and determinations; repair or removal of structure; exception; costs; order approving expenses; lien; authority of municipality; "urban core cities" defined.**

Sec. 134. (1) If the owner or occupant fails to comply with the order contained in the notice of violation, the enforcing agency may bring an action to enforce this act and to abate or enjoin the violation.

(2) An owner or occupant of the premises upon which a violation exists may bring an action to enforce this act in his or her own name. Upon application by the enforcing agency, or upon motion of the party filing the complaint, the local enforcing agency may be substituted for, or joined with, the complainant in the discretion of the court.

(3) If the violation is uncorrected and creates an imminent danger to the health and safety of the occupants of the premises, or if there are no occupants and the violation creates an imminent danger to the health and safety of the public, the enforcing agency shall file a motion for a preliminary injunction or other temporary relief appropriate to remove the danger during the pendency of the action.

(4) Owners and lienholders of record or owners and lienholders ascertained by the complainant with the exercise of reasonable diligence shall be served with a copy of the complaint and a summons. The complainant shall also file a notice of the pendency of the action with the appropriate county register of deeds

office where the premises are located.

(5) The court of jurisdiction shall make orders and determinations consistent with the objectives of this act. The court may enjoin the maintenance of unsafe, unhealthy, or unsanitary conditions, or violations of this act, and may order the defendant to make repairs or corrections necessary to abate the conditions. The court may authorize the enforcing agency to repair or to remove the building or structure. If an occupant is not the cause of an unsafe, unhealthy, or unsanitary condition, or a violation of this act, and is the complainant, the court may authorize the occupant to correct the violation and deduct the cost from the rent upon terms the court determines just. If the court finds that the occupant is the cause of an unsafe, unhealthy, or unsanitary condition, or a violation of this act, the court may authorize the owner to correct the violation and assess the cost against the occupant or the occupant's security deposit.

(6) A building or structure shall not be removed unless the cost of repair of the building or structure will be greater than the state equalized value of the building or structure except in urban core cities or local units of government that are adjacent to or contiguous to an urban core city that have adopted stricter standards to expedite the rehabilitation or removal of a boarded or abandoned building or structure that remains either vacant or boarded, or both, and a significant attempt has not been made to rehabilitate the building or structure for a period of 24 consecutive months.

(7) If the expense of repair or removal is not provided for, the court may enter an order approving the expense and placing a lien on the real property for the payment of the expense. The order may establish and provide for the priority of the lien as a senior lien, except as to tax and assessment liens, and except as to a recorded mortgage of first priority, recorded prior to all other liens of record if, at the time of recording of that mortgage or at a time subsequent, a certificate of compliance as provided for in this act is in effect on the subject property. The order may also specify the time and manner for foreclosure of the lien if the lien is not satisfied. A true copy of the order shall be filed with the appropriate county register of deeds office where the real property is located within 10 days after entry of the order to perfect the lien granted in the order.

(8) This act does not preempt, preclude, or interfere with the authority of a municipality to protect the health, safety, and general welfare of the public through ordinance, charter, or other means.

(9) As used in this section, "urban core cities" means qualified local governmental units as that term is defined in section 2 of the obsolete property rehabilitation act, 2000 PA 146, MCL 125.2782.

**History:** Add. 1968, Act 286, Eff. Nov. 15, 1968;—Am. 1976, Act 116, Imd. Eff. May 14, 1976;—Am. 2003, Act 80, Imd. Eff. July 23, 2003.

## **HOUSING LAW OF MICHIGAN (EXCERPT)** **Act 167 of 1917**

### **125.535 Receiver; appointment; termination; purpose; powers; expenses.**

Sec. 135. (1) When a suit has been brought to enforce this act against the owner the court may appoint a receiver of the premises.

(2) When the court finds that there are adequate grounds for the appointment of a receiver, it shall appoint the municipality or a proper local agency or officer, or any competent person, as receiver. In the discretion of the court no bond need be required. The receivership shall terminate at the discretion of the court.

(3) The purpose of a receivership shall be to repair, renovate and rehabilitate the premises as needed to make the building comply with the provisions of this act, and where ordered by the court, to remove a building. The receiver shall promptly comply with the charge upon him in his official capacity and restore the premises to a safe, decent and sanitary condition, or remove the building.

(4) Subject to the control of the court the receiver shall have full and complete powers necessary to make the building comply with the provisions of this act. He may collect rents, and other revenue, hold them against the claim of prior assignees of such rents, and other revenue, and apply them to the expenses of making the building comply with the provisions of this act. He may manage and let rental units, issue receivership certificates, contract for all construction and rehabilitation as needed to make the building comply with the provisions of this act, and exercise other powers the court deems proper to the effective administration of the receivership.

(5) When expenses of the receivership are not otherwise provided for, the court may enter an order approving the expenses and providing that there shall be a lien on the real property for the payment thereof. The provisions of subsection (7) of section 134 as to the contents and filing of an order are applicable to the order herein provided for.

**History:** Add. 1968, Act 286, Eff. Nov. 15, 1968.

## **HOUSING LAW OF MICHIGAN (EXCERPT)** **Act 167 of 1917**



**125.541a Enforcement of judgment against other assets; lien; effectiveness; priority.**

Sec. 141a. (1) A judgment in an action brought pursuant to section 141(7) may be enforced against assets of the owner other than the building or structure.

(2) A city, village, or township shall have a lien for the amount of a judgment obtained pursuant to section 141(7) against the owner's interest in all real property located in this state that is owned in whole or in part by the owner of the building or structure against whom the judgment is obtained. A lien provided for in this section does not take effect until notice of the lien is filed or recorded as provided by law, and the lien does not have priority over prior filed or recorded liens and encumbrances.

**History:** Add. 1992, Act 109, Eff. Mar. 31, 1993.

**STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966 (EXCERPT)**

**Act 346 of 1966**

**125.1448o Action to discharge mortgage or land contract; judgment entered by court; contents; minutes; delivery of judgment to authority; recordation of judgment.**

Sec. 48o. (1) When a recorded mortgage on real property or land contract held by the authority has been paid or satisfied or when 15 years have elapsed since the debt secured by the mortgage or land contract became due and payable or since the last payment made upon it, and no civil action or proceedings have been commenced to collect the same, the owner of the land or property may institute an action in the circuit court to discharge the mortgage or land contract.

(2) If it appears to the court at the trial, either by the production in evidence of the original mortgage, land contract, or note to secure the payment of which the mortgage was given, or by any other competent evidence, that the debt secured by the mortgage or land contract has been fully paid both in principal and interest; or if it appears to the court by competent evidence that the debt has been past due for 15 years, or that 15 years have elapsed since the last payment was made on the debt and that no action or proceeding has been commenced to foreclose or perfect the mortgage or land contract, the court shall enter judgment to that effect which contains within it the names of the witnesses and the nature of the evidence by which the facts have been made to appear. A minute of this shall be entered in the court's journal. A copy of the judgment, signed by the judge or the court and attested by the clerk of the court under the seal of the court shall be delivered to the authority and may be recorded in the office of the register of deeds of the county or counties in which the mortgage or land contract is recorded in the same manner and with the same effects in all respects as if it were a formal discharge of the mortgage or land contract duly executed by the authority.

**History:** Add. 1981, Act 173, Imd. Eff. Dec. 10, 1981.

**TAX TRIBUNAL ACT (EXCERPT)**

**Act 186 of 1973**

**205.762 Residential property and small claims division; jurisdiction; "residential property" defined; election; record of proceedings; rehearing; site of hearing or rehearing; form for filing of residential appeals; filing fee.**

Sec. 62. (1) The residential property and small claims division created in section 61 has jurisdiction over a proceeding, otherwise cognizable by the tribunal, in which residential property is exclusively involved. Property other than residential property may be included in a proceeding before the residential property and small claims division, if the amount of that property's taxable value or state equalized valuation in dispute is not more than \$100,000.00. The residential property and small claims division also has jurisdiction over a proceeding involving an appeal of any other tax over which the tribunal has jurisdiction if the amount of the tax in dispute is \$6,000.00 or less.

(2) For purposes of this chapter, "residential property" means a homestead or other residential or agricultural real property including less than 4 rental units.

(3) A person or legal entity entitled to proceed under section 31, and whose proceeding meets the jurisdictional requirements of subsection (1), may elect to proceed before either the residential property and small claims division or the tribunal. A formal record of residential property and small claims division proceedings is not required. Within 20 days after a hearing referee issues an order, by leave of the tribunal and for good cause, a party may request a rehearing by a tribunal member. A rehearing is not limited to the evidence presented before the hearing referee.

(4) The residential property and small claims division shall meet in the county in which the property in question is located or in a county contiguous to the county in which the property in question is located. A petitioner-appellant shall not be required to travel more than 100 miles from the location of the property in question to the hearing site, except that a rehearing by a tribunal member shall be at a site determined by the tribunal.

(5) The tribunal shall make a short form for the simplified filing of residential appeals.

(6) In a proceeding before the residential property and small claims division for property other than homestead residential property, if the amount of taxable value or state equalized valuation in dispute is greater than \$20,000.00, or in nonproperty matters if the amount in dispute is greater than \$1,000.00, the filing fee is the amount that would have been paid if the proceeding was brought before the tribunal and not the residential property and small claims division.

**History:** 1973, Act 186, Eff. July 1, 1974;—Am. 1976, Act 365, Imd. Eff. Dec. 23, 1976;—Am. 1980, Act 437, Imd. Eff. Jan. 14, 1981;—Am. 1992, Act 172, Imd. Eff. July 21, 1992;—Am. 1993, Act 21, Imd. Eff. Apr. 14, 1993;—Am. 1995, Act 232, Imd. Eff. Dec. 19, 1995.

## **COMMERCIAL HOUSING FACILITIES EXEMPTION CERTIFICATES (EXCERPT)**

### **Act 438 of 1976**

#### **207.611 Assessor; determining assessment of real and personal property; information; notice.**

Sec. 11. (1) The assessor of each city or township in which is located a new facility for which a commercial housing facilities exemption certificate is in effect shall annually determine, with respect to each new facility, an assessment of the real and personal property comprising the facility having the benefit of a commercial housing facilities exemption certificate which would have been made under Act No. 206 of the Public Acts of 1893, as amended, if the certificate had not been in force. A holder of a commercial housing facilities exemption certificate shall furnish to the assessor the information necessary for the determination.

(2) After making the determination, the assessor shall annually notify the commission, the legislative body of each taxing unit which levies taxes upon property in the city or township in which the new facility is located, and the holder of the commercial housing facilities exemption certificate of the determination, separately stating the determinations for real property and personal property. The notice shall be sent by certified mail not later than October 15 and shall be based upon the valuation as of the preceding December 31.

**History:** 1976, Act 438, Imd. Eff. Jan. 13, 1977.

## **TECHNOLOGY PARK DEVELOPMENT ACT (EXCERPT)**

### **Act 385 of 1984**

#### **207.705 Technology park district; establishment; composition; requirements; resolution; filing written request; alteration of boundaries; public hearing; notice; district established by township; land included as part of district.**

Sec. 5. (1) A local governmental unit, by resolution of its legislative body, may establish 1 technology park district or, if subdivision (a) is not applicable, may establish more than 1 technology park district. A district shall consist of 1 or more parcels or tracts of land and, at the time the resolution is adopted, shall meet the following requirements:

(a) The district shall contain not less than 100 acres of undeveloped land. This subdivision does not apply if the administration building of the university requesting establishment of the district is located in a local governmental unit with a population of 800,000 or more persons.

(b) The district boundaries shall be continuous.

(c) All of the land in the district shall be within a 10-mile radius of the administration building on the main campus of a 4-year public university, 4-year independent university, or 4-year institute of technology, or within the corporate boundaries of the city, village, or township in which the administration building is located, or in a city or township adjacent to a city in which the administration building is located if the district is adjacent to land owned by the 4-year public university.

(2) The resolution establishing a district shall set forth a finding and determination that the district satisfies all the requirements of subsection (1).

(3) A local governmental unit shall establish a district only upon the written request filed with the clerk of the local governmental unit by the owners of record of 75% of the land included within the proposed district and the board of control of the 4-year eligible university or institute. If the university lies within 2 adjoining local governmental units, the university may file a request with both of the clerks of the local governmental units.

(4) The boundaries of an established district may be altered to include or exclude land upon the request of the owners of record of the affected real property and with the written consent of the owners of record of 75% of the land within the district as established and the board of control of the university. The district as altered shall satisfy the requirements provided in subsection (1).



(5) After receiving a proper written request and before adopting a resolution establishing or altering a district, the legislative body shall set a date for a public hearing on the request and shall publish a notice of the hearing. The legislative body shall also give written notice of the hearing to all of the owners of record of real property within the proposed district and to the legislative body of each taxing unit which levies ad valorem property taxes on the real property within the proposed district. The notice shall be given by certified mail not less than 10 nor more than 30 days before the date of the hearing.

(6) A district established by a township shall affect only land within the unincorporated territory of the township and shall not affect land within a village located in that township.

(7) Land included as part of a district may also be part of a district or development area established under any of the following:

(a) The commercial redevelopment act, Act No. 255 of the Public Acts of 1978, being sections 207.651 to 207.668 of the Michigan Compiled Laws.

(b) Act No. 198 of the Public Acts of 1974, being sections 207.551 to 207.571 of the Michigan Compiled Laws.

(c) Act No. 197 of the Public Acts of 1975, being sections 125.1651 to 125.1681 of the Michigan Compiled Laws.

(d) The tax increment finance authority act, Act No. 450 of the Public Acts of 1980, being sections 125.1801 to 125.1830 of the Michigan Compiled Laws.

**History:** 1984, Act 385, Imd. Eff. Dec. 28, 1984;—Am. 1988, Act 382, Imd. Eff. Dec. 21, 1988;—Am. 1990, Act 151, Imd. Eff. June 27, 1990.

## **THE GENERAL PROPERTY TAX ACT (EXCERPT)**

### **Act 206 of 1893**

#### **211.2 Real property; definition; determination of taxable status; acquisition for public purposes by purchase or condemnation; responsibilities of parties in real estate transaction; “levy date” defined.**

Sec. 2. (1) For the purpose of taxation, real property includes all of the following:

(a) All land within this state, all buildings and fixtures on the land, and all appurtenances to the land, except as expressly exempted by law.

(b) All real property owned by this state or purchased or condemned for public highway purposes by any board, officer, commission, or department of this state and sold on land contract, notwithstanding the fact that the deed has not been executed transferring title.

(c) For taxes levied after December 31, 2002, buildings and improvements located upon leased real property, except buildings and improvements exempt under section 9f or improvements assessable under section 8(h), if the value of the buildings or improvements is not otherwise included in the assessment of the real property. However, buildings and improvements located on leased real property shall not be treated as real property unless they would be treated as real property if they were located on real property owned by the taxpayer.

(2) The taxable status of persons and real and personal property for a tax year shall be determined as of each December 31 of the immediately preceding year, which is considered the tax day, any provisions in the charter of any city or village to the contrary notwithstanding. An assessing officer is not restricted to any particular period in the preparation of the assessment roll but may survey, examine, or review property at any time before or after the tax day.

(3) Notwithstanding a provision to the contrary in any law, if real property is acquired for public purposes by purchase or condemnation, all general property taxes, but not penalties, levied during the 12 months immediately preceding, but not including, the day title passes to the public agency shall be prorated in accordance with this subsection. The seller or condemnee is responsible for the portion of taxes from the levy date or dates to, but not including, the day title passes and the public agency is responsible for the remainder of the taxes. If the date that title will pass cannot be ascertained definitely and an agreement in advance to prorate taxes is desirable, an estimated date for the passage of title may be agreed to. In the absence of an agreement, the public agency shall compute the proration of taxes as of the date title passes. The question of proration of taxes shall not be considered in any condemnation proceeding. As used in this subsection, “levy date” means the day on which general property taxes become due and payable. In addition to the portion of taxes for which the public agency is responsible under the provisions of this subsection, the public agency is also responsible for all general property taxes levied on or after the date title passes and before the property is removed from the tax rolls.

(4) In a real estate transaction between private parties in the absence of an agreement to the contrary, the seller is responsible for that portion of the annual taxes levied during the 12 months immediately preceding,

but not including, the day title passes, from the levy date or dates to, but not including, the day title passes and the buyer is responsible for the remainder of the annual taxes. As used in this subsection, “levy date” means the day on which a general property tax becomes due and payable.

**History:** 1893, Act 206, Eff. June 12, 1893;—CL 1897, 3825;—CL 1915, 3996;—CL 1929, 3390;—Am. 1939, Act 235, Eff. Sept. 29, 1939;—Am. 1941, Act 234, Imd. Eff. June 16, 1941;—CL 1948, 211.2;—Am. 1949, Act 285, Eff. Sept. 23, 1949;—Am. 1958, Act 209, Eff. Sept. 13, 1958;—Am. 1966, Act 288, Imd. Eff. July 12, 1966;—Am. 1968, Act 277, Imd. Eff. July 1, 1968;—Am. 1993, Act 145, Imd. Eff. Aug. 19, 1993;—Am. 1993, Act 313, Eff. Mar. 15, 1994;—Am. 2000, Act 415, Imd. Eff. Jan. 8, 2001;—Am. 2002, Act 620, Imd. Eff. Dec. 23, 2002.

**Popular name:** Act 206

## **THE GENERAL PROPERTY TAX ACT (EXCERPT)**

### **Act 206 of 1893**

#### **211.25 Description of real property.**

Sec. 25. (1) The description of real property may be as follows:

(a) If the land to be assessed is an entire section, it may be described by the number of the section, township, and range.

(b) If the tract is a subdivision of a section authorized by the United States for the sale of public lands, it may be described by the designation of the subdivision, with the number of the section, township, and range.

(c) If the tract is less than the subdivision, it may be described as a distinct part of the subdivision, or in a manner as will definitely describe it.

(d) In case of land platted or laid out as a town, city, or village, or as an addition to a town, city, or village, it shall be described by reference to the plat and by the number of the lots and blocks thereof.

(e) When 2 or more parcels of land adjoin and belong to the same owner or owners, they may be assessed by 1 valuation if permission is obtained from the owner or owners. The assessing authority shall send a notice of intent to assess the parcels by 1 valuation to the owner or owners. Permission shall be considered obtained if there is no negative response within 30 days following the notice of intent.

(f) It shall be sufficient to describe the real property assessed upon a roll and in other proceedings under this act in the manner heretofore in use by initials, letters, abbreviations, and figures.

(g) In the case of the separate assessment of mineral rights it shall be sufficient to describe the same as provided in this section followed by the term “mineral rights only”, and it shall be sufficient description of the surface rights which shall include all other rights in the property except mineral rights, as defined in sections 6a and 6b, to describe the property as provided in this section followed by the term “surface rights only”.

(2) The descriptions of real property of townships shall be arranged in the following manner:

(a) Acreage descriptions in numerical order of section beginning with section 1 of each township; a surveyed township being listed fully before a description of a second surveyed township, if any, is entered.

Lands included in an unincorporated village may be arranged without separation as to sections within a township.

(b) Government lots in a section shall be listed numerically.

(c) Descriptions listed in a private claim, if more than 1 private claim is located in the same township, the description of each claim shall be listed numerically.

(3) The descriptions of real property of islands shall be arranged and listed either by number or name of island.

**History:** 1893, Act 206, Eff. June 12, 1893;—CL 1897, 3848;—Am. 1915, Act 131, Eff. Aug. 24, 1915;—CL 1915, 4019;—CL 1929, 3413;—Am. 1937, Act 22, Eff. Oct. 29, 1937;—Am. 1941, Act 234, Imd. Eff. June 16, 1941;—Am. 1945, Act 159, Imd. Eff. May 16, 1945;—CL 1948, 211.25;—Am. 1966, Act 288, Imd. Eff. July 12, 1966;—Am. 1973, Act 109, Eff. Dec. 31, 1973.

**Popular name:** Act 206

## **THE GENERAL PROPERTY TAX ACT (EXCERPT)**

### **Act 206 of 1893**

#### **211.27 “True cash value” defined; considerations in determining value; indicating exclusions from true cash value on assessment roll; subsection (2) applicable only to residential property; repairs considered normal maintenance; exclusions from real estate sales data; “present economic income” defined; applicability of subsection (4); value of transferred property; “purchase price” defined; net book value.**

Sec. 27. (1) As used in this act, “true cash value” means the usual selling price at the place where the property to which the term is applied is at the time of assessment, being the price that could be obtained for the property at private sale, and not at auction sale except as otherwise provided in this section, or at forced sale. The usual selling price may include sales at public auction held by a nongovernmental agency or person

if those sales have become a common method of acquisition in the jurisdiction for the class of property being valued. The usual selling price does not include sales at public auction if the sale is part of a liquidation of the seller's assets in a bankruptcy proceeding or if the seller is unable to use common marketing techniques to obtain the usual selling price for the property. A sale or other disposition by this state or an agency or political subdivision of this state of land acquired for delinquent taxes or an appraisal made in connection with the sale or other disposition or the value attributed to the property of regulated public utilities by a governmental regulatory agency for rate-making purposes is not controlling evidence of true cash value for assessment purposes. In determining the true cash value, the assessor shall also consider the advantages and disadvantages of location; quality of soil; zoning; existing use; present economic income of structures, including farm structures; present economic income of land if the land is being farmed or otherwise put to income producing use; quantity and value of standing timber; water power and privileges; and mines, minerals, quarries, or other valuable deposits known to be available in the land and their value. In determining the true cash value of personal property owned by an electric utility cooperative, the assessor shall consider the number of kilowatt hours of electricity sold per mile of distribution line compared to the average number of kilowatt hours of electricity sold per mile of distribution line for all electric utilities.

(2) The assessor shall not consider the increase in true cash value that is a result of expenditures for normal repairs, replacement, and maintenance in determining the true cash value of property for assessment purposes until the property is sold. For the purpose of implementing this subsection, the assessor shall not increase the construction quality classification or reduce the effective age for depreciation purposes, except if the appraisal of the property was erroneous before nonconsideration of the normal repair, replacement, or maintenance, and shall not assign an economic condition factor to the property that differs from the economic condition factor assigned to similar properties as defined by appraisal procedures applied in the jurisdiction. The increase in value attributable to the items included in subdivisions (a) to (o) that is known to the assessor and excluded from true cash value shall be indicated on the assessment roll. This subsection applies only to residential property. The following repairs are considered normal maintenance if they are not part of a structural addition or completion:

- (a) Outside painting.
- (b) Repairing or replacing siding, roof, porches, steps, sidewalks, or drives.
- (c) Repainting, repairing, or replacing existing masonry.
- (d) Replacing awnings.
- (e) Adding or replacing gutters and downspouts.
- (f) Replacing storm windows or doors.
- (g) Insulating or weatherstripping.
- (h) Complete rewiring.
- (i) Replacing plumbing and light fixtures.
- (j) Replacing a furnace with a new furnace of the same type or replacing an oil or gas burner.
- (k) Repairing plaster, inside painting, or other redecorating.
- (l) New ceiling, wall, or floor surfacing.
- (m) Removing partitions to enlarge rooms.
- (n) Replacing an automatic hot water heater.
- (o) Replacing dated interior woodwork.

(3) A city or township assessor, a county equalization department, or the state tax commission before utilizing real estate sales data on real property purchases, including purchases by land contract, to determine assessments or in making sales ratio studies to assess property or equalize assessments shall exclude from the sales data the following amounts allowed by subdivisions (a), (b), and (c) to the extent that the amounts are included in the real property purchase price and are so identified in the real estate sales data or certified to the assessor as provided in subdivision (d):

(a) Amounts paid for obtaining financing of the purchase price of the property or the last conveyance of the property.

(b) Amounts attributable to personal property that were included in the purchase price of the property in the last conveyance of the property.

(c) Amounts paid for surveying the property pursuant to the last conveyance of the property. The legislature may require local units of government, including school districts, to submit reports of revenue lost under subdivisions (a) and (b) and this subdivision so that the state may reimburse those units for that lost revenue.

(d) The purchaser of real property, including a purchaser by land contract, may file with the assessor of the city or township in which the property is located 2 copies of the purchase agreement or of an affidavit that identifies the amount, if any, for each item listed in subdivisions (a) to (c). One copy shall be forwarded by

the assessor to the county equalization department. The affidavit shall be prescribed by the state tax commission.

(4) As used in subsection (1), "present economic income" means for leased or rented property the ordinary, general, and usual economic return realized from the lease or rental of property negotiated under current, contemporary conditions between parties equally knowledgeable and familiar with real estate values. The actual income generated by the lease or rental of property is not the controlling indicator of its true cash value in all cases. This subsection does not apply to property subject to a lease entered into before January 1, 1984 for which the terms of the lease governing the rental rate or tax liability have not been renegotiated after December 31, 1983. This subsection does not apply to a nonprofit housing cooperative subject to regulatory agreements between the state or federal government entered into before January 1, 1984. As used in this subsection, "nonprofit cooperative housing corporation" means a nonprofit cooperative housing corporation that is engaged in providing housing services to its stockholders and members and that does not pay dividends or interest upon stock or membership investment but that does distribute all earnings to its stockholders or members.

(5) Beginning December 31, 1994, the purchase price paid in a transfer of property is not the presumptive true cash value of the property transferred. In determining the true cash value of transferred property, an assessing officer shall assess that property using the same valuation method used to value all other property of that same classification in the assessing jurisdiction. As used in this subsection, "purchase price" means the total consideration agreed to in an arms-length transaction and not at a forced sale paid by the purchaser of the property, stated in dollars, whether or not paid in dollars.

(6) For purposes of a statement submitted under section 19, the true cash value of a standard tool is the net book value of that standard tool as of December 31 in each tax year as determined using generally accepted accounting principles in a manner consistent with the established depreciation method used by the person submitting that statement. The net book value of a standard tool for federal income tax purposes is not the presumptive true cash value of that standard tool. As used in this subsection, "standard tool" means that term as defined in section 9b.

**History:** 1893, Act 206, Eff. June 12, 1893;—CL 1897, 3850;—CL 1915, 4021;—CL 1929, 3415;—CL 1948, 211.27;—Am. 1951, Act 210, Eff. Sept. 28, 1951;—Am. 1964, Act 275, Eff. Aug. 28, 1964;—Am. 1965, Act 409, Imd. Eff. Nov. 3, 1965;—Am. 1969, Act 276, Imd. Eff. Aug. 11, 1969;—Am. 1973, Act 109, Eff. Dec. 31, 1973;—Am. 1976, Act 293, Imd. Eff. Oct. 26, 1976;—Am. 1976, Act 411, Imd. Eff. Jan. 9, 1977;—Am. 1978, Act 25, Imd. Eff. Feb. 21, 1978;—Am. 1982, Act 539, Eff. Mar. 30, 1983;—Am. 1983, Act 254, Imd. Eff. Dec. 29, 1983;—Am. 1985, Act 200, Imd. Eff. Dec. 27, 1985;—Am. 1989, Act 283, Imd. Eff. Dec. 26, 1989;—Am. 1994, Act 415, Imd. Eff. Dec. 29, 1994;—Am. 2002, Act 744, Imd. Eff. Dec. 30, 2002;—Am. 2003, Act 274, Imd. Eff. Jan. 8, 2004.

**Constitutionality:** For the purpose of assessing taxes on real property, to the extent that creative financing represents something of value either to a seller or a buyer, it is not part of the real property, and cannot be included in the determination of the true cash value of the property. *Washtenaw County v. State Tax Commission*, 422 Mich. 346, 373 N.W.2d 697 (1985).

**Popular name:** Act 206

## **THE GENERAL PROPERTY TAX ACT (EXCERPT)**

### **Act 206 of 1893**

#### **211.27a Property tax assessment; determining taxable value; adjustment; exception; "transfer of ownership" defined; qualified agricultural property; notice of transfer of property; applicability of subsection (10); definitions.**

Sec. 27a. (1) Except as otherwise provided in this section, property shall be assessed at 50% of its true cash value under section 3 of article IX of the state constitution of 1963.

(2) Except as otherwise provided in subsection (3), for taxes levied in 1995 and for each year after 1995, the taxable value of each parcel of property is the lesser of the following:

(a) The property's taxable value in the immediately preceding year minus any losses, multiplied by the lesser of 1.05 or the inflation rate, plus all additions. For taxes levied in 1995, the property's taxable value in the immediately preceding year is the property's state equalized valuation in 1994.

(b) The property's current state equalized valuation.

(3) Upon a transfer of ownership of property after 1994, the property's taxable value for the calendar year following the year of the transfer is the property's state equalized valuation for the calendar year following the transfer.

(4) If the taxable value of property is adjusted under subsection (3), a subsequent increase in the property's taxable value is subject to the limitation set forth in subsection (2) until a subsequent transfer of ownership occurs. If the taxable value of property is adjusted under subsection (3) and the assessor determines that there had not been a transfer of ownership, the taxable value of the property shall be adjusted at the July or December board of review. Notwithstanding the limitation provided in section 53b(1) on the number of years

for which a correction may be made, the July or December board of review may adjust the taxable value of property under this subsection for the current year and for the 3 immediately preceding calendar years. A corrected tax bill shall be issued for each tax year for which the taxable value is adjusted by the local tax collecting unit if the local tax collecting unit has possession of the tax roll or by the county treasurer if the county has possession of the tax roll. For purposes of section 53b, an adjustment under this subsection shall be considered the correction of a clerical error.

(5) Assessment of property, as required in this section and section 27, is inapplicable to the assessment of property subject to the levy of ad valorem taxes within voted tax limitation increases to pay principal and interest on limited tax bonds issued by any governmental unit, including a county, township, community college district, or school district, before January 1, 1964, if the assessment required to be made under this act would be less than the assessment as state equalized prevailing on the property at the time of the issuance of the bonds. This inapplicability shall continue until levy of taxes to pay principal and interest on the bonds is no longer required. The assessment of property required by this act shall be applicable for all other purposes.

(6) As used in this act, "transfer of ownership" means the conveyance of title to or a present interest in property, including the beneficial use of the property, the value of which is substantially equal to the value of the fee interest. Transfer of ownership of property includes, but is not limited to, the following:

(a) A conveyance by deed.

(b) A conveyance by land contract. The taxable value of property conveyed by a land contract executed after December 31, 1994 shall be adjusted under subsection (3) for the calendar year following the year in which the contract is entered into and shall not be subsequently adjusted under subsection (3) when the deed conveying title to the property is recorded in the office of the register of deeds in the county in which the property is located.

(c) A conveyance to a trust after December 31, 1994, except if the settlor or the settlor's spouse, or both, conveys the property to the trust and the sole present beneficiary or beneficiaries are the settlor or the settlor's spouse, or both.

(d) A conveyance by distribution from a trust, except if the distributee is the sole present beneficiary or the spouse of the sole present beneficiary, or both.

(e) A change in the sole present beneficiary or beneficiaries of a trust, except a change that adds or substitutes the spouse of the sole present beneficiary.

(f) A conveyance by distribution under a will or by intestate succession, except if the distributee is the decedent's spouse.

(g) A conveyance by lease if the total duration of the lease, including the initial term and all options for renewal, is more than 35 years or the lease grants the lessee a bargain purchase option. As used in this subdivision, "bargain purchase option" means the right to purchase the property at the termination of the lease for not more than 80% of the property's projected true cash value at the termination of the lease. After December 31, 1994, the taxable value of property conveyed by a lease with a total duration of more than 35 years or with a bargain purchase option shall be adjusted under subsection (3) for the calendar year following the year in which the lease is entered into. This subdivision does not apply to personal property except buildings described in section 14(6) and personal property described in section 8(h), (i), and (j). This subdivision does not apply to that portion of the property not subject to the leasehold interest conveyed.

(h) A conveyance of an ownership interest in a corporation, partnership, sole proprietorship, limited liability company, limited liability partnership, or other legal entity if the ownership interest conveyed is more than 50% of the corporation, partnership, sole proprietorship, limited liability company, limited liability partnership, or other legal entity. Unless notification is provided under subsection (10), the corporation, partnership, sole proprietorship, limited liability company, limited liability partnership, or other legal entity shall notify the assessing officer on a form provided by the state tax commission not more than 45 days after a conveyance of an ownership interest that constitutes a transfer of ownership under this subdivision.

(i) A transfer of property held as a tenancy in common, except that portion of the property not subject to the ownership interest conveyed.

(j) A conveyance of an ownership interest in a cooperative housing corporation, except that portion of the property not subject to the ownership interest conveyed.

(7) Transfer of ownership does not include the following:

(a) The transfer of property from 1 spouse to the other spouse or from a decedent to a surviving spouse.

(b) A transfer from a husband, a wife, or a husband and wife creating or disjoining a tenancy by the entireties in the grantors or the grantor and his or her spouse.

(c) A transfer of that portion of property subject to a life estate or life lease retained by the transferor, until expiration or termination of the life estate or life lease. That portion of property transferred that is not subject to a life lease shall be adjusted under subsection (3).



(d) A transfer through foreclosure or forfeiture of a recorded instrument under chapter 31, 32, or 57 of the revised judicature act of 1961, 1961 PA 236, MCL 600.3101 to 600.3280 and MCL 600.5701 to 600.5759, or through deed or conveyance in lieu of a foreclosure or forfeiture, until the mortgagee or land contract vendor subsequently transfers the property. If a mortgagee does not transfer the property within 1 year of the expiration of any applicable redemption period, the property shall be adjusted under subsection (3).

(e) A transfer by redemption by the person to whom taxes are assessed of property previously sold for delinquent taxes.

(f) A conveyance to a trust if the settlor or the settlor's spouse, or both, conveys the property to the trust and the sole present beneficiary of the trust is the settlor or the settlor's spouse, or both.

(g) A transfer pursuant to a judgment or order of a court of record making or ordering a transfer, unless a specific monetary consideration is specified or ordered by the court for the transfer.

(h) A transfer creating or terminating a joint tenancy between 2 or more persons if at least 1 of the persons was an original owner of the property before the joint tenancy was initially created and, if the property is held as a joint tenancy at the time of conveyance, at least 1 of the persons was a joint tenant when the joint tenancy was initially created and that person has remained a joint tenant since the joint tenancy was initially created. A joint owner at the time of the last transfer of ownership of the property is an original owner of the property. For purposes of this subdivision, a person is an original owner of property owned by that person's spouse.

(i) A transfer for security or an assignment or discharge of a security interest.

(j) A transfer of real property or other ownership interests among members of an affiliated group. As used in this subsection, "affiliated group" means 1 or more corporations connected by stock ownership to a common parent corporation. Upon request by the state tax commission, a corporation shall furnish proof within 45 days that a transfer meets the requirements of this subdivision. A corporation that fails to comply with a request by the state tax commission under this subdivision is subject to a fine of \$200.00.

(k) Normal public trading of shares of stock or other ownership interests that, over any period of time, cumulatively represent more than 50% of the total ownership interest in a corporation or other legal entity and are traded in multiple transactions involving unrelated individuals, institutions, or other legal entities.

(l) A transfer of real property or other ownership interests among corporations, partnerships, limited liability companies, limited liability partnerships, or other legal entities if the entities involved are commonly controlled. Upon request by the state tax commission, a corporation, partnership, limited liability company, limited liability partnership, or other legal entity shall furnish proof within 45 days that a transfer meets the requirements of this subdivision. A corporation, partnership, limited liability company, limited liability partnership, or other legal entity that fails to comply with a request by the state tax commission under this subdivision is subject to a fine of \$200.00.

(m) A direct or indirect transfer of real property or other ownership interests resulting from a transaction that qualifies as a tax-free reorganization under section 368 of the internal revenue code, 26 USC 368. Upon request by the state tax commission, a property owner shall furnish proof within 45 days that a transfer meets the requirements of this subdivision. A property owner who fails to comply with a request by the state tax commission under this subdivision is subject to a fine of \$200.00.

(n) A transfer of qualified agricultural property, if the person to whom the qualified agricultural property is transferred files an affidavit with the assessor of the local tax collecting unit in which the qualified agricultural property is located and with the register of deeds for the county in which the qualified agricultural property is located attesting that the qualified agricultural property shall remain qualified agricultural property. The affidavit under this subdivision shall be in a form prescribed by the department of treasury. An owner of qualified agricultural property shall inform a prospective buyer of that qualified agricultural property that the qualified agricultural property is subject to the recapture tax provided in the agricultural property recapture act, 2000 PA 261, MCL 211.1001 to 211.1007, if the qualified agricultural property is converted by a change in use. If property ceases to be qualified agricultural property at any time after being transferred, all of the following shall occur:

(i) The taxable value of that property shall be adjusted under subsection (3) as of the December 31 in the year that the property ceases to be qualified agricultural property.

(ii) The property is subject to the recapture tax provided for under the agricultural property recapture act, 2000 PA 261, MCL 211.1001 to 211.1007.

(o) A transfer of qualified forest property, if the person to whom the qualified forest property is transferred files an affidavit with the assessor of the local tax collecting unit in which the qualified forest property is located and with the register of deeds for the county in which the qualified forest property is located attesting that the qualified forest property shall remain qualified forest property. The affidavit under this subdivision shall be in a form prescribed by the department of treasury. An owner of qualified forest property shall inform a prospective buyer of that qualified forest property that the qualified forest property is subject to the

recapture tax provided in the qualified forest property recapture tax act, 2006 PA 379, MCL 211.1031 to 211.1036, if the qualified forest property is converted by a change in use. If property ceases to be qualified forest property at any time after being transferred, all of the following shall occur:

(i) The taxable value of that property shall be adjusted under subsection (3) as of the December 31 in the year that the property ceases to be qualified forest property.

(ii) The property is subject to the recapture tax provided for under the qualified forest property recapture tax act, 2006 PA 379, MCL 211.1031 to 211.1036.

(p) Beginning on the effective date of the amendatory act that added this subdivision, a transfer of land, but not buildings or structures located on the land, which meets 1 or more of the following requirements:

(i) The land is subject to a conservation easement under subpart 11 of part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2140 to 324.2144. As used in this subparagraph, "conservation easement" means that term as defined in section 2140 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2140.

(ii) A transfer of ownership of the land or a transfer of an interest in the land is eligible for a deduction as a qualified conservation contribution under section 170(h) of the internal revenue code, 26 USC 170.

(8) If all of the following conditions are satisfied, the local tax collecting unit shall revise the taxable value of qualified agricultural property taxable on the tax roll in the possession of that local tax collecting unit to the taxable value that qualified agricultural property would have had if there had been no transfer of ownership of that qualified agricultural property since December 31, 1999 and there had been no adjustment of that qualified agricultural property's taxable value under subsection (3) since December 31, 1999:

(a) The qualified agricultural property was qualified agricultural property for taxes levied in 1999 and each year after 1999.

(b) The owner of the qualified agricultural property files an affidavit with the assessor of the local tax collecting unit under subsection (7)(n).

(9) If the taxable value of qualified agricultural property is adjusted under subsection (8), the owner of that qualified agricultural property shall not be entitled to a refund for any property taxes collected under this act on that qualified agricultural property before the adjustment under subsection (8).

(10) The register of deeds of the county where deeds or other title documents are recorded shall notify the assessing officer of the appropriate local taxing unit not less than once each month of any recorded transaction involving the ownership of property and shall make any recorded deeds or other title documents available to that county's tax or equalization department. Unless notification is provided under subsection (6), the buyer, grantee, or other transferee of the property shall notify the appropriate assessing office in the local unit of government in which the property is located of the transfer of ownership of the property within 45 days of the transfer of ownership, on a form prescribed by the state tax commission that states the parties to the transfer, the date of the transfer, the actual consideration for the transfer, and the property's parcel identification number or legal description. Forms filed in the assessing office of a local unit of government under this subsection shall be made available to the county tax or equalization department for the county in which that local unit of government is located. This subsection does not apply to personal property except buildings described in section 14(6) and personal property described in section 8(h), (i), and (j).

(11) As used in this section:

(a) "Additions" means that term as defined in section 34d.

(b) "Beneficial use" means the right to possession, use, and enjoyment of property, limited only by encumbrances, easements, and restrictions of record.

(c) "Converted by a change in use" means that term as defined in the agricultural property recapture act, 2000 PA 261, MCL 211.1001 to 211.1007.

(d) "Inflation rate" means that term as defined in section 34d.

(e) "Losses" means that term as defined in section 34d.

(f) "Qualified agricultural property" means that term as defined in section 7dd.

(g) "Qualified forest property" means that term as defined in section 7jj[1].

**History:** Add. 1982, Act 539, Eff. Mar. 30, 1983;—Am. 1993, Act 145, Imd. Eff. Aug. 19, 1993;—Am. 1993, Act 313, Eff. Mar. 15, 1994;—Am. 1994, Act 415, Imd. Eff. Dec. 29, 1994;—Am. 1996, Act 476, Imd. Eff. Dec. 26, 1996;—Am. 2000, Act 260, Eff. Mar. 28, 2001;—Am. 2005, Act 23, Imd. Eff. May 23, 2005;—Am. 2006, Act 378, Imd. Eff. Sept. 27, 2006;—Am. 2006, Act 446, Imd. Eff. Dec. 8, 2006.

**Popular name:** Act 206

## **THE UNIFORM CONDEMNATION PROCEDURES ACT (EXCERPT)**

### **Act 87 of 1980**

**213.61 Scheduling order; exchange of appraisal reports; opportunity for discovery; appraisal report; testimony relating to value of real property; orders to facilitate compliance.**

Sec. 11. (1) Upon motion of either party, the court shall issue a scheduling order to assure that the appraisal reports are exchanged and the parties are afforded a reasonable opportunity for discovery before a case is submitted to mediation, alternative dispute resolution, or trial.

(2) An appraisal report provided pursuant to this section shall fairly and reasonably describe the methodology and basis for the amount of the appraisal. If the testimony or opinion of a person relating to the value of real property would require a license under article 26 of the occupational code, Act No. 299 of the Public Acts of 1980, being sections 339.2601 to 339.2637 of the Michigan Compiled Laws, the appraisal shall comply with section 2609 of Act No. 299 of the Public Acts of 1980, being section 339.2609 of the Michigan Compiled Laws, and the standards adopted under section 2609 of Act No. 299 of the Public Acts of 1980 and the person shall not be permitted to testify or otherwise render an opinion relating to the value of real property unless the person is licensed under that article. An owner is not required to be licensed or to comply with professional appraisal standards to testify to the value of the owner's property.

(3) The court may issue orders to facilitate compliance with this section, including but not limited to orders to require mutual simultaneous exchange of the agency's updated appraisal report, if any, and the owner's appraisal report. If an appraisal report has not been provided pursuant to this section, the appraisal report shall not be considered in mediation or alternative dispute resolution proceedings unless specifically authorized by court order. If an appraisal report has not been provided pursuant to this section, the court may bar the taking of appraisal testimony from the appraisal expert, unless the court finds good cause for the failure and finds that the interests and opportunity of the other party to prepare have not been prejudiced.

**History:** 1980, Act 87, Imd. Eff. Apr. 8, 1980;—Am. 1996, Act 474, Imd. Eff. Dec. 26, 1996.

**MICHIGAN VEHICLE CODE (EXCERPT)  
Act 300 of 1949**

**257.607 Realty owners' regulation of traffic on private property.**

Sec. 607. Nothing in this act shall be construed to prevent the owner of real property used by the public for purposes of vehicular travel by permission of the owner and not as a matter of right from prohibiting such use nor from requiring other or different or additional conditions than those specified in this act or otherwise regulating such use as may seem best to such owner.

**History:** 1949, Act 300, Eff. Sept. 23, 1949.

**SECTION CORNERS AND BOUNDARIES (EXCERPT)  
Act 292 of 1907**

**322.243 Original field notes; filing, effect.**

Sec. 3. The original notes of the field work performed under the provisions of this act shall be placed on file in the state land office and all corners and boundary lines so established shall be of the same force and effect as those established by the original United States survey.

**History:** 1907, Act 292, Imd. Eff. June 27, 1907;—CL 1915, 473;—CL 1929, 5864;—CL 1948, 322.243.

**SECTION CORNERS AND BOUNDARIES (EXCERPT)  
Act 312 of 1921**

**322.252 Original field notes; filing, effect, admissible as evidence; applicability of act.**

Sec. 2. The original notes of the field work performed under the provisions of this act shall be placed on file in the office of the department of conservation, and a complete record of such work shall also be placed on file and kept in the same book provided by the county for the surveyors' records, and kept in the office of the county surveyor in any county where such work has been performed, and all corners, boundary and shore lines so established shall be binding on the state of Michigan, and for such purpose shall have the same force and effect as those established by the original United States survey; and such records so made and entered shall be received as evidence in all the courts of this state, wherein any question may arise as to the establishment or identification of such corners, boundary and shore lines: Provided, That nothing in this act shall apply to lands where such corners, landmarks, boundary lines, section and quarter section lines are already properly established.

**History:** 1921, Act 312, Eff. Aug. 18, 1921;—CL 1929, 5867;—CL 1948, 322.252.

**NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT (EXCERPT)  
Act 451 of 1994**

### **324.79105 Sale of structures, real property, or rights or interest in real property.**

Sec. 79105. The department may sell or remove buildings or other structures on real property acquired by the department under this part, and may sell real property or rights or interest in real property not considered essential for the purposes of this part.

**History:** Add. 1995, Act 58, Imd. Eff. May 24, 1995.

**Popular name:** Act 451

## **OCCUPATIONAL CODE (EXCERPT)**

### **Act 299 of 1980**

### **339.2504 Real estate broker's license; approved classroom courses; application; condition to taking examination; renewal or reinstatement of license; continuing education requirements; exceptions; approval of person offering or conducting course or courses of study; suspension or revocation of approval; prohibited representations; conduct of pre-licensure course; violation; penalties; real estate clinic, meeting, course, or institute; sponsoring studies, research, and programs.**

Sec. 2504. (1) Before receiving a real estate broker's license, an applicant shall submit an application as described in section 2505 and shall have successfully completed not less than 90 clock hours of approved classroom courses in real estate of which not less than 9 clock hours shall be instruction on civil rights law and equal opportunity in housing. The 90 hours shall be in addition to the hours required to obtain a real estate salesperson's license.

(2) Before being permitted to take the real estate salesperson's examination, an applicant shall show proof of successful completion of not less than 40 clock hours of classroom courses in principles of real estate, of which not less than 4 clock hours shall be instruction on civil rights law and equal opportunity in housing.

(3) For purposes of subsections (1) and (2), approved courses may be on the following topics:

(a) Real estate license law and related regulatory laws.

(b) Real property law, including property interests and restrictions.

(c) Federal, state, and local tax laws affecting real property.

(d) Conveyances, including contracts, deeds, and leases.

(e) Financing, including mortgages, land contracts, foreclosure, and limits on lending procedures and interest rates.

(f) Appraisal of real property.

(g) Design and construction.

(h) Marketing, exchanging, and counseling.

(i) The law of agency.

(j) Sales and office management, including listing and selling techniques.

(k) Real estate securities and syndications.

(l) Investments, including property management.

(4) Except as otherwise provided in this subsection, before being permitted to renew an active real estate broker's or real estate salesperson's license, a licensee shall have successfully completed, within the preceding 12 months, not less than 6 clock hours of continuing education approved by the department involving any topics relevant to the management, operation, and practice of real estate and covering changes in economic conditions, law, rules, court cases, and interpretations, or any combination of those changes, relating to real property which are pertinent to the activities of a real estate broker or real estate salesperson. Beginning November 1, 2003, a licensee shall complete not less than 18 hours of continuing education per 3-year license cycle. A licensee shall complete at least 6 hours of the required 18 hours of continuing education courses during the time period from November 1, 2003 and ending on December 31, 2004. During calendar year 2005, a licensee shall complete at least 6 hours of the required 18 hours of continuing education courses. During calendar year 2006, a licensee shall complete at least 4 hours of the required 18 hours of continuing education courses. During calendar year 2007 and thereafter, a licensee shall complete at least 2 hours per calendar year of the required 18 hours of continuing education courses. Any education successfully completed by a licensee for further professional designation and approved by the department as continuing education may be counted toward the total continuing education credits required for the 3-year license cycle. Each licensee, in completing the appropriate number of clock hours, will have the option of selecting the education courses in that licensee's area of expertise, as long as the education courses are approved by the department and as long as at least 2 hours of an education course per calendar year involve law, rules, and court cases regarding real estate. Notwithstanding the provisions of this subsection, the department may renew the license of a licensee who has completed not less than 18 hours of continuing education in the

subject matter areas required by this subsection during the 3-year license cycle but has not otherwise met the requirements of this section if the licensee provides evidence satisfactory to the department that he or she has good cause for not complying with the requirements in this subsection.

(5) The department may relicense without examination a licensee whose license has lapsed for less than 3 years if the licensee shows proof of completion of not less than 6 clock hours of continuing education for each year the license was lapsed, on topics as described in subsection (4).

(6) The department may relicense a broker whose license has lapsed for 3 or more continuous years if the licensee provides proof of the successful completion of 1 of the following:

(a) Six clock hours of continuing education for each of the years the license was lapsed on topics described in subsection (4).

(b) Ninety clock hours of instruction described in subsections (1) and (3).

(c) Passing the examination required for licensure as a broker as provided for in section 2505(5).

(7) A salesperson whose license has been lapsed for 3 or more continuous years may be relicensed if the licensee provides proof of the successful completion of 1 of the following:

(a) Six clock hours of continuing education for each of the years the license was lapsed on topics described in subsection (4).

(b) Forty clock hours of instruction described in subsections (2) and (3).

(c) Passing the examination required for licensure as a salesperson as provided in section 2505(5).

(8) The department shall not apply the course credits used to meet continuing education requirements provided in subsections (4) through (7) towards the real estate broker's license education requirements provided in subsection (1), and course credits taken under real estate broker's license education requirements shall not be applied towards the continuing education requirements. The department shall apportion the approved course credits eligible for education requirements in subsection (1) and subsections (4) through (7) to meet either requirement upon the licensee's request.

(9) For real estate brokers, associate brokers, and salespersons who receive a license issued in the second or third years of a 3-year license cycle, continuing education shall be in compliance with subsection (4), except for the following:

(a) A real estate broker, associate broker, or salesperson who receives a license issued in the second year of the 3-year license cycle is required to complete 12 hours of continuing education to renew his or her license.

(b) A real estate broker, associate broker, or salesperson who receives a license issued in the third year of the 3-year licensing cycle is required to complete 6 hours of continuing education to renew his or her license.

(10) A person who offers or conducts a course or courses of study represented to meet the educational requirements of this article first shall obtain approval from the department and shall comply with the rules of the department concerning curriculum, instructor qualification, grading system, and other related matters. In addition to other requirements imposed under rule, in order to receive approval a course shall be designed to be taught for not less than 1 clock hour, not including time spent on breaks, meals, or other unrelated activities, provided the course is only approved for less than 2 clock hours if, based upon the subject matter, course outline, instructional materials, methodology, and other considerations consistent with rules of the department, the department determines that the course objectives can be effectively met in the proposed time period. The department may suspend or revoke the approval of a person for a violation of this article or of the rules promulgated under this article. A person offering or conducting a course shall not represent that its students are assured of passing an examination required by the department. A person shall not represent that the issuance of departmental approval is a recommendation or indorsement of the person to which it is issued or of a course of instruction given by it. A pre-licensure course approved under this article shall be conducted by a local public school district, a community college, an institution of higher education authorized to grant degrees, or a proprietary school licensed by the department of career development under 1943 PA 148, MCL 395.101 to 395.103.

(11) A person who in operating a school violates subsection (10) is subject to the penalties set forth in article 6.

(12) The department may conduct, hold, or assist in conducting or holding, a real estate clinic, meeting, course, or institute, which shall be open to a person licensed under this article, and may incur the necessary expenses in connection with the clinic, meeting, course, or institute. The department, in the public interest, may assist educational institutions within this state in sponsoring studies, research, and programs for the purpose of raising the standards of professional practice in real estate and the competence of a licensee.

**History:** 1980, Act 299, Imd. Eff. Oct. 21, 1980;—Am. 1983, Act 144, Eff. Jan. 1, 1985;—Am. 1984, Act 413, Eff. Mar. 29, 1985;—Am. 2002, Act 611, Imd. Eff. Dec. 20, 2002;—Am. 2003, Act 196, Imd. Eff. Nov. 10, 2003.

**Popular name:** Act 299



**OCCUPATIONAL CODE (EXCERPT)**

**Act 299 of 1980**

**339.2517 Disclosure of agency relationship.**

Sec. 2517. (1) A licensee shall disclose to a potential buyer or seller in a real estate transaction all types of agency relationships available and the licensee's duties that each agency relationship creates before the disclosure by the potential buyer or seller to the licensee of any confidential information specific to that potential buyer or seller.

(2) The disclosure of the type of agency relationship shall be in writing and substantially conform to the following:

**DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIPS**

Before you disclose confidential information to a real estate licensee regarding a real estate transaction, you should understand what type of agency relationship you have with that licensee. A real estate transaction is a transaction involving the sale or lease of any legal or equitable interest in real estate consisting of not less than 1 or not more than 4 residential dwelling units or consisting of a building site for a residential unit on either a lot as defined in section 102 of the land division act, 1967 PA 288, MCL 560.102, or a condominium unit as defined in section 4 of the condominium act, 1978 PA 59, MCL 559.104.

Michigan law requires real estate licensees who are acting as agents of sellers or buyers of real property to advise the potential sellers or buyers with whom they work of the nature of their agency relationship.

**Seller's Agents**

A seller's agent, under a listing agreement with the seller, acts solely on behalf of the seller. A seller can authorize a seller's agent to work with subagents, buyer's agents and/or transaction coordinators. A subagent is one who has agreed to work with the listing agent, and who, like the listing agent, acts solely on behalf of the seller. Seller's agents and subagents will disclose to the seller known information about the buyer which may be used to the benefit of the seller.

**Buyer's Agents**

A buyer's agent, under a buyer's agency agreement with the buyer, acts solely on behalf of the buyer. Buyer's agents and subagents will disclose to the buyer known information about the seller which may be used to benefit the buyer.

**Dual Agents**

A real estate licensee can be the agent of both the seller and the buyer in a transaction, but only with the knowledge and informed consent, in writing, of both the seller and the buyer.

In such a dual agency situation, the licensee will not be able to disclose all known information to either the seller or the buyer.

The obligations of a dual agent are subject to any specific provisions set forth in any agreement between the dual agent, the seller, and the buyer.

**Licensee Disclosure (check one)**

I hereby disclose that the agency status of the licensee named below is:

- ☐ Seller's Agent  
☐ Buyer's Agent  
☐ Dual Agent  
☐ None of the above

**Affiliated Licensee Disclosure (check one)**

☐ Only the licensee's broker and a named supervisory broker have the same agency relationship as the licensee named below. If the other party in a transaction is represented by an affiliated licensee, then the licensee's broker and all named supervisory brokers shall be considered disclosed consensual dual agents.

☐ All affiliated licensees have the same agency relationship as the licensee named below.

Further, this form was provided to the buyer or seller before disclosure of any confidential information.

\_\_\_\_\_  
Licensee  
Licensee

\_\_\_\_\_  
Date  
Date

**Acknowledgment**

By signing below, the parties confirm that they have received and read the information in this agency disclosure statement and that this form was provided to them before the disclosure of any confidential information specific to the potential sellers or buyers.

\_\_\_\_\_  
Potential Buyer/Seller (circle one)

\_\_\_\_\_  
Date

Potential Buyer/Seller (circle one)

Date

(3) This article does not prevent a licensee from acting as a transaction coordinator upon proper notice to all parties to a real estate transaction.

(4) A broker and a client may enter into a designated agency agreement. In the absence of a written designated agency agreement, a client is considered to have an agency relationship with the broker and all affiliated licensees.

(5) A designated agency agreement shall contain the name of all associate brokers who are authorized to act as supervisory brokers. If designated agents who are affiliated licensees represent different parties in the same real estate transaction, the broker and all supervisory brokers are considered disclosed consensual dual agents for that real estate transaction. Designated agents who are affiliated licensees representing different parties in the same transaction shall notify their clients that their broker represents both buyer and seller before an offer to purchase is made or presented.

(6) Except as otherwise provided in subsection (5), a client with a designated agency agreement is not considered to have an agency relationship with any affiliated licensees of the designated agent. Two designated agents who are affiliated licensees may each represent a different party in the same transaction and shall not be considered dual agents. The designated agent's knowledge of confidential information of a client is not imputed to any affiliated licensee not having an agency relationship with that client.

(7) A designated agent shall not disclose confidential information of a client to any licensee, whether or not an affiliated licensee, except that a designated agent may disclose to any supervisory broker confidential information of a client for purposes of seeking advice or assistance for the benefit of the client. A licensee who represents a client in an agency capacity does not breach any duty or obligation owed to that client by failing to disclose to that client information obtained through a present or prior agency relationship.

(8) A listing agreement or a buyer's agency agreement may be amended to establish a designated agency relationship, to change a designated agent, or to change supervisory brokers at any time pursuant to a written addendum signed by the parties.

(9) As used in this section:

(a) "Affiliated licensees" means individuals licensed as salespersons or associate brokers who are employed by the same broker.

(b) "Buyer" means a purchaser, tenant, or lessee of any legal or equitable interest in real estate.

(c) "Buyer's agent" means a licensee acting on behalf of the buyer in a real estate transaction who undertakes to accept the responsibility of serving the buyer consistent with those fiduciary duties existing under common law.

(d) "Designated agent" means an individual salesperson or an associate broker who is designated by the broker as the client's legal agent pursuant to a designated agency agreement.

(e) "Designated agency agreement" means a written agreement between a broker and a client in which an individual salesperson or associate broker affiliated with that broker is named as that client's designated agent.

(f) "Dual agent" means a licensee who is acting as the agent of both the buyer and the seller and provides services to complete a real estate transaction without the full range of fiduciary duties owed by a buyer's agent and a seller's agent.

(g) "Real estate transaction" means the sale or lease of any legal or equitable interest in real estate where the interest in real estate consists of not less than 1 or not more than 4 residential dwelling units or consists of a building site for a residential unit on either a lot as defined in section 102 of the land division act, 1967 PA 288, MCL 560.102, or a condominium unit as defined in section 4 of the condominium act, 1978 PA 59, MCL 559.104.

(h) "Seller" means the equitable or legal owner of real estate.

(i) "Seller's agent" means a licensee acting on behalf of the seller in a real estate transaction who undertakes to accept the responsibility of serving the seller consistent with those fiduciary duties existing under common law.

(j) "Supervisory broker" means an associate broker designated in a written agency agreement to act in a supervisory role in an agency relationship.

(k) "Transaction coordinator" means a licensee who is not acting as the agent of either the buyer or the seller.

**History:** Add. 1993, Act 93, Eff. Jan. 1, 1994;—Am. 2000, Act 236, Imd. Eff. June 27, 2000;—Am. 2000, Act 436, Imd. Eff. Jan. 9, 2001.

**Popular name:** Act 299

## OCCUPATIONAL CODE (EXCERPT)

## **Act 299 of 1980**

### **339.2518 Prohibited actions.**

Sec. 2518. An action shall not be brought against a real estate broker, an associate broker, or a real estate salesperson under the following circumstances:

(a) For failure to disclose to a purchaser or lessee of real property that a former occupant has or is suspected of having a disability. As used in this section, "disability" means handicap as that term is defined and interpreted under, and disclosure of which would constitute unlawful discrimination under, sections 804, 805, 806, or 817 of the fair housing act, title VIII of the civil rights act of 1968, Public Law 90-284, 42 U.S.C. 3604, 3605, 3606, and 3617.

(b) For failure to disclose to a purchaser or lessee of real property that the real property was or was suspected to have been the site of a homicide, suicide, or other occurrence prohibited by law which had no material effect on the condition of the real property or improvements located on the real property.

(c) For failure to disclose any information from the compilation that is provided or made available under section 8(2) of the sex offenders registration act, 1994 PA 295, MCL 28.728.

**History:** Add. 1993, Act 93, Imd. Eff. July 13, 1993;—Am. 1998, Act 90, Imd. Eff. May 13, 1998;—Am. 1998, Act 437, Imd. Eff. Dec. 30, 1998.

**Popular name:** Act 299

## **OCCUPATIONAL CODE (EXCERPT)**

### **Act 299 of 1980**

### **339.2617 Rules regulating educational courses; courses; compliance with AQB criteria.**

Sec. 2617. (1) The director may promulgate rules regulating the offering of educational courses required under this article, including the type and conditions of instruction, the qualification of instructors, the methods of grading, the means of monitoring and reporting attendance, and the representations made by course sponsors.

(2) All educational courses required under this article shall be courses offered by 1 of the following:

(a) An institution of higher education authorized to grant degrees, being a college, university, or community or junior college.

(b) A private school licensed by the department of education under 1943 PA 148, MCL 395.101 to 395.103, or authorized to operate in any other state or jurisdiction.

(c) A state or federal agency or commission.

(d) A nonprofit association related to real property or real property appraisal.

(3) Educational courses required for licensure under this article shall comply with AQB criteria.

**History:** Add. 1990, Act 269, Eff. July 1, 1991;—Am. 1999, Act 170, Imd. Eff. Nov. 10, 1999;—Am. 2006, Act 414, Imd. Eff. Sept. 29, 2006.

**Popular name:** Act 299

**Administrative rules:** R 339.23101 et seq. of the Michigan Administrative Code.

## **UNIFORM COMMERCIAL CODE (EXCERPT)**

### **Act 174 of 1962**

### **440.2951 Default; rights and remedies; self-help; enforcement covering real property and goods.**

Sec. 2A501. (1) Whether the lessor or the lessee is in default under a lease contract is determined by the lease agreement and this article.

(2) If the lessor or the lessee is in default under the lease contract, the party seeking enforcement has rights and remedies as provided in this article and, except as limited by this article, as provided in the lease agreement.

(3) If the lessor or the lessee is in default under the lease contract, the party seeking enforcement may reduce the party's claim to judgment, or otherwise enforce the lease contract by self-help or any available judicial procedure or nonjudicial procedure, including administrative proceeding, arbitration, or the like, in accordance with this article.

(4) Except as otherwise provided in section 1106(1) or this article or the lease agreement, the rights and remedies referred to in subsections (2) and (3) are cumulative.

(5) If the lease agreement covers both real property and goods, the party seeking enforcement may proceed under this part as to the goods, or under other applicable law as to both the real property and the goods in accordance with that party's rights and remedies in respect of the real property, in which case this part does not apply.

**History:** Add. 1992, Act 101, Eff. Sept. 30, 1992.